



### Health Reimbursement Arrangement (HRA)

As a way to help employees with the co-pays that are part of the HMO health plans called Rate Saver (“RS”) plans, the Town provides each subscriber with a **Health Reimbursement Arrangement (HRA)**. The funds in the HRA are available to reimburse subscribers for a portion of the co-pays for office visits, prescription drugs, emergency room visits, same-day surgery procedures, in-patient hospitalizations and diagnostic imaging (such as MRIs).

Accounts will be funded with \$1,000 for family plans; \$400 for individual plans per calendar year. Based on the effective date of your health insurance coverage, your account will be funded with a prorated amount for the balance of this calendar year. Reimbursement funds are not taxable as income.

Reimbursement claims are administered through Cafeteria Plan Advisors (CPA). The HRA may be used in coordination with an employee-funded Flexible Spending Account (FSA) but Town funds are to be expended first for eligible out-of-pocket costs. CPA also administers the Town’s FSA program.

Reimbursements are by direct deposit only, so you must provide CPA with account information.

The program operates on a calendar year (January 1 through December 31) basis. Claims may be submitted through January 31 of the following year.

In addition, a pool of \$50,000 will available annually to be distributed to employees whose reimbursement claims exceed \$1,000/\$400.

#### Reimbursement Schedule:

Office visit—specialist care	\$20
Urgent Care / Minute Clinic	100% of co-pay
Primary Care Physician	\$10 (maximum 3 per year)
In-patient admission	\$150
Same-day surgery	\$75
Diagnostic imaging	\$50
Prescription drug—retail	\$10 for each prescription >= \$25
Prescription drug—mail order	\$20 for each prescription

I wish to enroll in the Health Reimbursement Account described above for: ☐ Individual Plan ☐ Family Plan

Signature

Date